

Old Age, Disability, Death

First law: 1943.

Current laws: 1950, 1973 and 1992.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 2,830 guarani.

Coverage

Employed persons.

Special systems for railroad, banking, and public employees.

Source of Funds

Insured person: 9.0% of earnings. Pensioners, 5% of pensions.

Employer: 12.0% of payroll.

Government: 1.5% of earnings.

Minimum earnings for contribution purposes: Minimum wage.

Above contributions also finance sickness, maternity, and work-injury benefits.

Qualifying Conditions

Old-age pension: Age 60 with 25 years, or age 55 with 30 years of contribution.

Disability pension: Loss of 2/3 of earning capacity. 150 weeks of contribution if under age 55; 150-200 weeks if under age 60; 200-400 weeks if under age 65.

Survivor benefit: Deceased was pensioner at death, or had 750 weeks of contributions.

Old-Age Benefits

Old-age pension: 100% of average earnings during last 3 years, or 80% of average earnings during last 3 years plus 4% for each year over age 55 and up to age 59.

Permanent Disability Benefits

Disability pension: Benefit depends on degree of disability (from 70%-100%) and number of years of contributions (from 3-20), from 22.5%-100% of average earnings in last 3 years.

Survivor Benefits

Survivor pension: 60% of pension of insured. Payable to widow, widower, unmarried children under age 18, any age if disabled, dependent parents and companion if cohabited at least 2 years and had children, or 5 years if no children. Payment split in half between spouse and children.

Widow, widower or companion under age 40 receives a benefit equal to 3 times the yearly pension of the insured; if they remarry or cohabit with another, they receive 2 times the yearly pension of insured.

Administrative Organization

Social Insurance Institute, administration of program (including mandatory supplement); managed by tripartite council and director-general.

Type of program: Social insurance system.

Cash and medical benefits.

Coverage

Employed persons, including domestic servants, teachers in government and private schools, and university professors.

Pensioners also covered for medical benefits.

Special systems for railroad, banking, and public employees.

Self-employed workers may elect voluntary coverage.

Source of Funds

Insured person: See pension contributions above (for pensioners, 5% of pensions; public schoolteachers and university professors, 5.5% of earnings).

Employer: Same.

Government: Same.

Qualifying Conditions

Cash sickness benefits: 6 weeks of contribution in last 4 months.

Cash maternity benefits: 6 weeks of contribution in last 120 days. Cannot receive maternity and cash sickness benefits at the same time.

Medical and maternity benefits: Currently insured.

Sickness and Maternity Benefits

Sickness benefit: 50% of average earnings during last 4 months.

Benefit reduced by half during period of hospitalization if no dependents. Payable after 2-day waiting period for up to 26 weeks; may be extended to 50 weeks in special cases.

Maternity benefit: 50% of earnings, payable for 3 weeks before and 6 weeks after confinement. Milk vouchers provided for up to 8 months, if mother unable to nurse child.

Workers' Medical Benefits

Medical benefits: Medical services provided directly to patients through facilities of Social Insurance Institute.

Includes general and specialist care, hospitalization, laboratory services, medicines, prosthetics, dental care (if 8 weeks of recent contribution), and maternity care.

Duration: 26 weeks for one illness; may be extended to 52 weeks in special cases.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for insured. (Includes wife, unmarried children under age 16, disabled children, and dependent parents over age 60.)

Administrative Organization

Social Insurance Institute, administration of program.

Institute operates own clinics and hospitals.

Work Injury

First law: 1927.

Current laws: 1950, 1973, and 1992.

Type of program: Social insurance system.

Sickness and Maternity

First law: 1943.

Current laws: 1950, 1965, 1973 and 1992.

Coverage

Employed persons, including domestic servants and teachers in private schools.
Self-employed workers may elect voluntary coverage.

Source of Funds

Insured person: See pension contributions, above.

Employer: Same.

Government: Same.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 75% of average earnings during last 4 months or period of contribution, if less. Payable after 3-day waiting period for up to 50 weeks.

Permanent Disability Benefits

Permanent disability pension: 60% of average earnings during last 3 years, if totally disabled.

Partial disability: If more than 30% disabled, pension equal to 60% of wage loss, according to schedule in law. If pension less than 30% of total disability pension, converted to lump sum equal to 5 years' pension.

Supplement: For total disability, 20% of average earnings during last 3 years, plus 0.5% for each year covered beyond 3 years.

Partial disability: Full supplement reduced proportionate to residual work capacity.

Workers' Medical Benefits

Medical benefits: General and specialist care, hospitalization, medicines, and appliances.

Survivor Benefits

Survivor pension: 40% of total disability pension of insured.

Payable to widow or dependent disabled widower.

Orphans: 20% of total disability pension of insured for each child under age 16 (no limit if disabled).

Other eligible survivors (in absence of above): 20% of pension of insured for each dependent parent.

Supplement: 75% of insured's supplement, paid to survivors shown above.

Maximum survivor pension: 100% of pension of insured.

Funeral grant: Varies according to locality.

Administrative Organization

Social Insurance Institute, administration of contributions and benefits.

Family Allowances

Labor code of 1993 requires that employers provide certain maternity and family allowance benefits.